


INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF GLAND PHARMA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Gland Pharma Limited** ("the Company"), for the quarter and half year ended September 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The financial results shown under columns "quarter ended June 30, 2023 - Unaudited", "quarter ended September 30, 2022 - Unaudited" and "year ended March 31, 2023 - Audited" contained in the Statement have been reviewed/audited by S.R. Battliboi & Associates LLP, the predecessor auditor, on which they have issued an unmodified conclusion/opinion.

For **Deloitte Haskins & Sells**
Chartered Accountants
(F.R.N: 008072S)


Ganesh Balakrishnan
Partner
Membership No. 201193
UDIN: 23201193BGPJSO9129

Place: Hyderabad
Date: November 6, 2023



GLAND PHARMA LIMITED

Corporate Identity Number: L24239TG1978PLC002276

Registered Office: Sy. No. 143 - 148, 150 and 151, Near Gandhi Maisamma 'X' Roads, D.P. Pally, Dundigal

Dundigal - Gandhi Maisamma (M), Medchal-Malkajgiri District, Hyderabad 500 043, Telangana, India

Tel: +91 84556 99999; Website: www.glandpharma.com; E-mail: investors@glandpharma.com

Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023

(₹ in million)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-23	30-Jun-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
Revenue from operations	10,106.67	8,840.70	10,483.09	18,947.37	19,052.07	36,165.28
Other income	411.14	352.07	656.24	763.21	1,400.16	2,404.64
Total income	10,517.81	9,192.77	11,139.33	19,710.58	20,452.23	38,569.92
2. Expenses						
Cost of materials consumed	4,566.25	3,918.01	5,043.67	8,484.26	8,451.79	17,167.51
Purchases of traded goods	61.34	37.92	37.90	99.26	85.36	155.93
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(227.42)	(204.90)	171.34	(432.32)	456.30	(469.17)
Power and fuel	305.08	291.63	320.67	596.71	661.22	1,248.37
Employee benefits expense	998.84	1,029.09	1,011.55	2,027.93	1,991.56	3,997.01
Depreciation and amortisation expense	402.36	389.82	366.72	792.18	715.83	1,467.36
Finance expenses	9.14	15.96	17.17	25.10	26.17	74.14
Other expenses	931.59	1,175.33	945.61	2,106.92	1,751.46	3,880.14
Total expenses	7,047.18	6,652.86	7,914.63	13,700.04	14,139.69	27,521.29
3. Profit before exceptional items and tax (1-2)	3,470.63	2,539.91	3,224.70	6,010.54	6,312.54	11,048.63
4. Exceptional item (refer note 3)	-	-	-	-	-	564.61
5. Profit before tax (3-4)	3,470.63	2,539.91	3,224.70	6,010.54	6,312.54	10,484.02
6. Tax expense						
Current tax	865.83	588.80	806.51	1,454.63	1,560.91	2,761.94
Deferred tax	29.53	75.29	21.89	104.82	60.79	(27.99)
Taxes of earlier years	-	-	-	-	-	(8.19)
Total tax expense	895.36	664.09	828.40	1,559.45	1,621.70	2,725.76
7. Profit for the period/year (5-6)	2,575.27	1,875.82	2,396.30	4,451.09	4,690.84	7,758.26
8. Other comprehensive income						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Re-measurement (gain)/loss on employee defined benefit plans	(8.29)	7.52	(21.10)	(0.77)	(19.85)	30.10
Deferred tax impact on remeasurement of defined benefit plans	2.08	(1.89)	5.30	0.19	4.99	(7.58)
Total other comprehensive (income)/loss, net of tax	(6.21)	5.63	(15.80)	(0.58)	(14.86)	22.52
9. Total comprehensive income (7-8)	2,581.48	1,870.19	2,412.10	4,451.67	4,705.70	7,735.74
10. Paid up equity share capital (Face value of ₹1/- each)	164.70	164.70	164.69	164.70	164.69	164.70
11. Other equity						79,368.28
12. Earnings per equity share (Face value of ₹1/- each):						
<i>(Not annualised for the quarter and half year ended)</i>						
Basic (₹)	15.64	11.39	14.55	27.03	28.50	47.12
Diluted (₹)	15.63	11.39	14.55	27.02	28.49	47.11



Notes:

1. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, this Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023 ("Unaudited Standalone Financial Results") of the company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 6, 2023. The statutory auditors have carried out a limited review on the Unaudited Standalone Financial Results and issued an unmodified report thereon.
2. The Unaudited Standalone Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, as amended and read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended (the "Listing requirements").
3. Exceptional item for the year ended March 31, 2023 pertains to a provision for credit impaired financial asset on account of a customer filing voluntary proceedings under Chapter 11 of the United States Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of Texas.
4. The Company is engaged in the manufacture and sale of "Pharmaceuticals" which constitutes a single reportable business segment as per Ind AS 108- 'Operating Segments'.
5. Pursuant to the Share Purchase Agreement ('SPA') dated January 6, 2023, the Company through its wholly owned subsidiary, Gland Pharma International PTE Ltd., Singapore ('Gland Singapore') has acquired 100% of the issued capital of Phixen SAS, France (doing business as 'Cenexi' and hereinafter referred as 'Cenexi') and 3 other companies ("Manxen companies") holding shares of Phixen SAS, France for an amount of EUR 114.26 million and has refinanced the outstanding existing loan of EUR 79.46 million Accordingly, Phixen SAS, France along with its subsidiaries became wholly-owned step-down subsidiaries of the Company with effect from April 27, 2023 (Completion Date), upon satisfaction of customary closing conditions and receipt of the necessary regulatory approvals.
6. The Unaudited Standalone Balance Sheet and Unaudited Standalone Statement of Cash Flows are set out in **Annexure I** and **Annexure II** respectively.
7. The previous periods/year numbers have been regrouped/rearranged wherever necessary to conform with the current period presentation.
8. The above Unaudited Standalone Financial Results of the Company are available on the Company's website www.glandpharma.com and also on the website of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com), where the equity shares of the Company are listed.



For and on behalf of the Board
Gland Pharma Limited

S. Srinivas

Srinivas Sadu
Managing Director and CEO
DIN No. 06900659

Hyderabad
November 6, 2023

Unaudited Standalone Balance Sheet as at September 30, 2023

Annexure I

(₹ in million)

Particulars	As at	As at
	30-Sep-23	31-Mar-23
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	15,400.11	15,585.01
Capital work-in-progress	2,433.54	1,772.16
Right-of-use assets	2.96	3.86
Other intangible assets	96.96	116.61
Financial assets		
Investments	18,912.88	81.57
Other financial assets	1,180.00	-
Income tax assets, net	225.22	225.22
Other non-current assets	852.53	1,063.98
	39,104.20	18,848.41
Current assets		
Inventories	17,144.14	19,453.00
Financial assets		
Loans	1.52	1.39
Trade receivables	10,509.84	8,628.39
Cash and cash equivalents	4,675.99	19,052.18
Bank balances other than cash and cash equivalents	16,639.14	18,617.80
Other financial assets	746.80	653.95
Other current assets	2,128.41	2,476.65
	51,845.84	68,883.36
Total Assets	90,950.04	87,731.77
EQUITY AND LIABILITIES		
Equity		
Equity share capital	164.70	164.70
Other equity	83,820.55	79,368.28
	83,985.25	79,532.98
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	25.51	32.61
Lease liabilities	2.35	4.83
Other financial liabilities	-	17.33
Provisions	201.19	-
Deferred tax liabilities, net	947.04	842.03
	1,176.09	896.80
Current liabilities		
Financial liabilities		
Borrowings	7.10	5.60
Lease liabilities	2.99	1.49
Trade payables		
Total outstanding dues of micro and small enterprises	53.92	78.34
Total outstanding dues of creditors other than micro and small enterprises	3,958.41	5,815.85
Other financial liabilities	105.07	163.05
Other current liabilities	1,214.95	924.48
Provisions	56.82	313.18
Current tax liabilities, net	389.44	-
	5,788.70	7,301.99
Total Equity and Liabilities	90,950.04	87,731.77



Unaudited Standalone Statement of Cash Flows for the half year ended September 30, 2023

Annexure II

(₹ in million)

Particulars	Half year ended	
	30-Sep-23	30-Sep-22
	Unaudited	Unaudited
Cash flows from operating activities		
Profit before tax	6,010.54	6,312.54
Adjustments for:		
Depreciation and amortisation expense	792.18	715.83
Allowance for credit losses	105.83	-
Bad debts written off	5.71	-
Interest expense	21.70	21.66
Finance charges on leases	0.24	0.33
Unrealised foreign exchange gain, net	(88.24)	(94.99)
Profit on disposal of financial assets - mutual funds	(0.12)	(27.16)
Profit on disposal of property, plant and equipment, net	(0.16)	(0.56)
Interest income	(672.65)	(843.93)
Operating profit before working capital changes	6,175.03	6,083.72
Movements in working capital:		
(Increase)/decrease in trade receivables	(1,950.41)	102.29
Decrease/(increase) in inventories	2,308.86	(3,682.40)
(Increase)/decrease in loans	(0.13)	2.07
Decrease in other assets	300.50	148.16
(Decrease)/increase in trade payables and other financial liabilities	(1,910.80)	2,275.28
Increase in provisions and other liabilities	236.07	370.73
Cash generated from operations	5,159.12	5,299.85
Income taxes paid, net	(1,065.19)	(1,342.32)
Net cash generated from operating activities (A)	4,093.93	3,957.53
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,045.61)	(819.22)
Proceeds from disposal of property, plant and equipment	0.91	1.35
Purchase of other intangible assets	-	(7.30)
Payments to acquire financial assets - mutual funds	(159.99)	(3,969.83)
Proceeds from sale of financial assets - mutual funds	160.11	5,545.73
Investment in bank deposits, net	798.66	(3,112.24)
Interest received	579.80	356.42
Investment made in subsidiary	(18,831.31)	-
Net cash used in investing activities (B)	(18,497.43)	(2,005.09)
Cash flows from financing activities		
Proceeds from the exercise of employee stock option	0.60	209.21
Repayment of long-term borrowings	(5.60)	(1.12)
Payment towards interest portion of lease liabilities	(0.24)	(0.33)
Payment towards principal portion of lease liabilities	(0.98)	(0.87)
Interest paid	(21.70)	(21.66)
Net cash (used in)/generated from financing activities (C)	(27.92)	185.23
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(14,431.42)	2,137.67
Effect of exchange differences on cash and cash equivalents held in foreign currency	55.23	17.51
Cash and cash equivalents at the beginning of the year	19,052.18	3,111.82
Cash and cash equivalents at the end of the period	4,675.99	5,267.00
Components of cash and cash equivalents		
Cash on hand	0.14	0.20
With banks in current account	4,480.85	4,096.80
With banks in deposit account	195.00	1,170.00
Total cash and cash equivalents	4,675.99	5,267.00

